

Message Text

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DPW-01 PRS-01 OMB-01 SS-20 SSO-00 INRE-00 (ISO) W

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O R 191030Z DEC 73
FM AMEMBASSY SAIGON
TO SECSTATE WASHDC IMMEDIATE 0140
INFO AMEMBASSY BANGKOK
AMEMBASSY BUDAPEST
AMEMBASSY CANBERRA
AMEMBASSY JAKARTA
AMEMBASSY LONDON
AMEMBASSY MANILA
AMEMBASSY MOSCOW
AMEMBASSY OTTAWA
AMEMBASSY PARIS
AMEMBASSY PHNOM PENH
AMEMBASSY SEOUL
AMEMBASSY TOKYO
USIA WASHDC
AMEMBASSY VIENTIANE
AMEMBASSY WARSAW
AMEMBASSY WELLINGTON
USDEL JEC PARIS
CIA
DIA
JCS
JUSMAAG
WHITE HOUSE
USAJFKCMA
AMCONSUL BIEN HOA
AMCONSUL CAN THO
AMEMBASSY TEHRAN
AMCONSUL DANANG
AMCONSUL NHA TRANG
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C O N F I D E N T I A L SECTION 1 OF 4 SAIGON 21229

E.O. 11652: GDS
TAGS: PINT PFOR ECON VS
SUBJECT. EMBASSY SAIGON'S MISSION WEEKLY, DEC 13-19, 1973

BANGKOK ALSO PASS OSA; DEP ALSO FOR AID/W; CINCPAC FOR POLAD;
DOD-PRO USAJFKCMA ATTN: ATCS-WL-DSA

THE WEEK IN REVIEW

ACTIVITY IN MR-1 UP SOMEWHAT; MR-2 ALSO UP;
MR-3 DECLINED: AND MR-4 DIMINISHING GROUND ATTACKS
AND INCREASED FIRE ATTACKS UNTIL DEC 18, WHEN EXPECTED
HIGH POINT MAY HAVE BEGUN

JCRC ATROCITY

ICCS TO BEGIN INVESTIGATIONS AGAIN

ICCS CONTRACT EMPLOYEES (INCLUDING AN AMERICAN)
RELEASED

SKEPTICISM ABOUT COMING KISSINGER-THO MEETING

AN QUANG FIFTH BI-ANNUAL NATIONAL CONGRESS ENDS
IN TOTAL DEADLOCK

TAM CHAU ELECTED CHIEF - QUOC TU BUDDHIST FACTION

CY 1974 BUDGET BILL GOES TO THE PRES

1973-74 SPECIAL COURT SWORN IN
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FONMIN BAC'S TRAVELS

GVN PROTESTS COMMUNIST ATTACK ON FPJMT HELICOPTERS

NO PROGRESS AT PARIS BILATERAL PLENARY SESSION

AUSTRALIAN TRADE MINISTER'S COMMENTS IN HANOI

VIET CONG DEL LEAVES HUNGARY; ARRIVES IN MOSCOW

COMMUNIST COMMEMORATIVE DAYS - REPORT TO COME

EXPORTS REMAIN BUOYANT

BIDDING FOR OFFSHORE OIL CONCESSIONS

CONSUMER PRICE INDEX DROPS

GOLD AND BLACK MARKET DOLLAR QUOTES DECLINE

I. INTERNAL

A. CEASEFIRE - THE MILITARY SITUATION

THE LEVEL OF ENEMY ACTIVITY IN MR-1 WAS UP SOMEWHAT FROM LAST WEEK'S UNUSUALLY LOW LEVEL. MILITARY ACTIVITY IN THUA THIEN REMAINED LIGHT UNTIL DEC 17 WHEN THE ENEMY RENEWED SMALL UNIT ATTACKS IN THE AREA 17KM SOUTHWEST OF HUE WHICH HAS BEEN THE SCENE OF SKIRMISHING FOR THE PAST SEVERAL WEEKS. MR-2 ALSO SAW AN INCREASE IN ACTIVITY SINCE THE LAST REPORTING PERIOD, WITH MUCH OF THE ACTIVITY CONCENTRATED IN BINH DINH AND QUANG DUC. IN QUANG DUC, THE SITUATION HAS REMAINED ESSENTIALLY UNCHANGED FOR SEVERAL DAYS. THE GVN HAS BEEN IN CONTROL OF KIEN DUC SINCE DEC 13 AND THE COMMUNISTS ARE STILL DUG IN AROUND BU PRANG AND BU BONG. GOVT FORCES ARE CONSOLIDATING THEIR HOLD IN KIEN DUC AND EXPANDING THEIR AREA OF CONTROL.

IN PLEIKU AND KONTUM THE LEVEL OF FIGHTING HAS BEEN LOW DURING THE WEEK, BUT THE COMMUNISTS CONTINUE TO MOVE SUPPLIES INTO FORWARD POSITIONS. IN MR-3 THE NUMBER OF INCIDENTS CON-
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TINUED THE GRADUAL DECLINE STARTED LAST WEEK. THE MOST SERIOUS ACTION IN MR-3 THIS WEEK WAS THE COMMUNIST ATTACK ON FPJMT HELICOPTERS ABOUT 14KM SOUTHWEST OF SAIGON, IN WHICH ONE AMERICAN AND ONE VIETNAMESE WAS KILLED (SEE BELOW). IN MR-3, OTHER MAJOR CONTACTS OCCURRED IN TAY NINH AND HAU NGHIA.

THROUGHOUT THE DELTA THIS WEEK VC/NVA GROUND ATTACKS DIMINISHED, BUT ATTACKS BY FIRE INCREASED IN THE NORTHERN DELTA (VC/MR-3). A LATE REPORT INDICATES THAT INCIDENTS INCREASED SHARPLY DURING THE PAST 24 HOURS IN THE DELTA. THE MR-4 G-2 HAD INTERPRETED THE DECREASE AS A TEMPORARY LULL, EXPECTING AN OFFENSIVE OR AT LEAST A HIGH POINT TO BEGIN IN LATE DECEMBER, LASTING THROUGH THE TET SEASON. THE HIGH POINT MAY HAVE BEGUN. IN AN XUYEN, DOCUMENTS CAPTURED INDICATE THE LOCAL VC ARE IN AN INTENSIVE PREPARATORY PHASE. THE "ATTACKS PHASE" IN AN XUYEN, ACCORDING TO THE DOCUMENTS, IS SCHEDULED TO BEGIN AFTER JAN 1 AND MAY BE CONCENTRATED ON DAM DOI DISTRICT. IN CHAU DOC, CAPTURED DOCUMENTS INDICATE VC/NVA EFFORTS TO SURVEY POL FACILITIES AS WELL AS MILITARY AND GOVT INSTALLATIONS.

B. THE DEC 15 JCRC AT
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----- 042457

O R 191030Z DEC 73

FM AMEMBASSY SAIGON

TO SECSTATE WASHDC IMMEDIATE 0141

INFO ANOMBASSY BANGKOK 334

AMEMBASSY BUDAPEST

AMEMBASSY CANBERRA

AMEMBASSY JAKARTA

RUDTCXAMEMBASSY LONDON 1154

AMEMBASSY MANILA

AMEMBASSY MOSCOW

AMEMBASSY OTTAWA

AMEMBASSY PARIS

AMEMBASSY PHNOM PENH

AMEMBASSY SEOUL

AMEMBASSY TOKYO

USIA WASHDC

AMEMBASSY VIENTIANE

AMEMBASSY WARSAW

AMEMBASSY WELLINGTON

USDEL JEC PARIS

CIA

DIA

JCS

JUSMAAG

WHITE HOUSE

USAJFKCMA

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C O N F I D E N T I A L SECTION 2 OF 4 SAIGON 21229

BANGKOK ALSO PASS OSA; DEP ALSO FOR AID/W; CINCPAC FOR POLAD;
DOD-PRO USAJFKCMEAATTN: ATCS-WL-DSA

THE POLDEL AND HUNGDEL DID NOT PARTICIPATE. THE RVN DEL
AND US DEL CHIEFS READ STRONG PROTESTS ATSLHE DEC 18
FPJMT PLENARY SESSION, FOLLOWING WHICH DETH DELS WALKED
OUT OF THE MEETING.

C. INTERNATIONAL COMMISSION FOR CONTROL AND SUPERVISION (ICCS)

IN THE ICCS, THE PLENARY OF DEC 14 WENT SMOOTHLY; AND THE
WAY NOW APPEARS OPEN FOR ORDERS TO BE ISSUED FOR THE ICCS TO
BEGIN INVESTIGATIONS AGAIN. ORDERS ARE TO BE SENT, WE HAVE
LEARNED, ON DEC 20, AS NOTED ABOVE, ON DEC 16, THE
CHIEFS OF THE MILITARY CONTINGENTS OF THE IRANIAN AND INDONESIAN
ICCS DELS CONDUCTED AN INVESTIGATION AT THE SITE
OF THE DEC 15 JCRC ATROCITY.

D. THREE ICCS CONTRACT EMPLOYEES INCLUDING AN AMERICAN
RELEASED BY THE "PRG"

THREE EMPLOYEES OF AN AMERICAN FIRM WORKING UNDER CONTRACT
TO THE ICCS, ABDUCTED BY THE COMMUNISTS OCT 6, HAVE BEEN
RELEASED BY THEIR "PRG" CAPTORS. THE THREE, INCLUDING AN
AMERICAN, HOMER ELM, WERE ABDUCTED WHILE DRIVING A CLEARLY ICCS-
MARKED VEHICLE ON ROUTE 4 IN THE DELTA. THEY WERE TURNED LOOSE
NEAR A NATIONAL POLICE STATION IN THE KIEN LONG DISTRICT, CHUONG
THIEN PROVINCE, DEC 19.

THE USG HAD MADE INTENSIVE EFFORTS TO GET THE ICCS TO ASSIST IN
OBTAINING THE RELEASE OF THE THREE, AND HAD MADE IT PLAIN TO THE
COMMUNISTS THE SERIOUSNESS WITH WHICH WE VIEWED THEIR CONTINUED
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DETENTION.

E. SAIGON MEDIA SKEPTICAL OF COMING KISSINGD-THO MEETING

THE SAIGON MEDIA HAVE ACCORDED WIDE COVERAGE TO THE COMING
PARIS MEETING BETWEEN SECY OF STATE HENRY KISSINGER AND
LE DUC THO. THE BASIC TONE HAS BEEN ONE OF HOPE THAAT PROGRESS
TOWARD PEACE MAY BE ACHIEVED, BUT THERE IS ALSO A STRONG CURRENT
SKEPTICISM. SOME ANALYSTS HAVE FOUND IT DIFFICULT TO BELIEVE
THAT THE MEETING WILL ADVANCE THE CAUSE OF PEACE, AS THEY BELIEVE
IT UNREALISTIC TO EXPECT THAT THE NORTH VIETNAMESE CAN BE
PERSUADED TO KEEP THEIR HANDS OFF THE STRUGGLE BETWEEN THE
GVN AND THE NLF.

F. DISARRAY AT AN QUANG

THE FIFTH BI-ANNUAL NATIONAL CONGRESS OF THE AN QUANG FACTION OF THE UNITED BUDDHIST ASSOCIATION (UBA) ENDED IN TOTAL DEADLOCK DEC 12. THE PRINCIPAL BUSINESS OF THE CONGRESS, THE ELECTION OF A NEW 15-MEMBER HIGH SECULAR COUNCIL, WAS NOT CONCLUDED, NOR WERE THE AMENDMENTS TO THE UBA INKKUNAL CHARTER WHICH HAS BEEN PROPOSED VOTED UPON. THE CONGRESS WAS MARKED BY ACRIMONY AND THE ISSUES DIVIDING THE VARIOUS FACTIONS, WHICH ARE BOTH PERSONAL AND POLITICAL, APPEAR AS FAR FROM RESOLUTION AS EVER. ATTEMPTS TO PAPER OVER THE SPLIT ARE CONTINUING, BUT

MEETINGS HELD DEC 16 AND 17 APPARENTLY FAILED TO MAKE ANY REAL PROGRESS IN THAT DIRECTION. THE AN QUANG FACTION OF THE UBA, POTENTIALLY A POTENT FORCE ON THE INTERNAL POLITICAL SCENE, THUS FINDS ITSELF IN TOTAL DISARRAY.

G. QUOC TU BUDDHIST FACTION ELECTS TAM CHAU AS CHIEF

IN CONTRAST TO THE DISARRAY DISPLAYED BY ITS RIVAL AN QUANG NOTED ABOVE, THE PRO-GVN QUOC TU BUDDHIST FACTION CONDUCTED AN ORDERLY NATIONAL CONGRESS DEC 9-12, ELECTING AS RECTOR OF THE QUOC TU HIGH SECULAR COUNCIL THE VENERABLE TAM CHAU. HE REPLACED VENERABLE TAM GIAC, WHO RECENTLY DIED OF CANCER. FOUR VICE RECTORS WERE CHOSEN: VENERABLE KIM SANG, VENERABLE SIEU TRAN, SENATOR SON THAI NGUYEN, AND DR NGUYEN DINH HAO. THE RELATIVELY CONFIDENTIAL

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SMALL QUOC TU FACTION IS COMPRISED LARGELY OF NORTHERNERS, WITH A COLLECTION OF SMALLER BUDDHIST SECTS; THERE IS ALSO A CAMBODIAN THERAVADDA COMPONENT. IT'S INFLUENCE HAS BEEN MUCH OVERSHADOWED BY AN QUANG, BUT WITH THE LATTER TORN BY INTERNAL DISSENSION QUOC TU WILL PROBABLY RETAIN AT LEAST THE DEGREE OF VISIBILITY IT HAS ENJOYED IN RECENT YEARS (WITH GVN SUPPORT); ITS CAPACITY TO PROVIDE A COUNTERWEIGHT TO MORE RADICAL AN QUANG INFLUENCE MAY EVEN BE SOMEWHAT ENHANCED. IT IS TOO EARLY TO ASSESS THE IMPACT OF THE ACCESSION OF TAM CHAU TO THE RECTORSHIP. HE IS AN OLD RIVAL OF TRI QUANG; HIS PERSONAL PRESTIGE SUFFERED IN AN INTERNAL QUOC TU SQUABBLE IN 1971. ALTHOUGH HE WAS A LEADING FIGURE IN THE BUDDHIST "STRUGGLES" IN THE EARLY 1960'S, TAM CHAU IN RECENT YEARS HAS ENJOYED A CLOSE RELATIONSHIP WITH THE THIEU GOVT, AND PROBABLY STILL DOES.

H. CY 1974 BUDGET BILL PASSES UPPER HOUSE AND GOES TO PRESIDENT

AFTER FOUR DAYS OF PLENARY DEBATE, THE UPPER HOUSE DEC 14 COMPLETED CONSIDERATION OF THE CY 1974 NATIONAL BUDGET. THE IDENTICAL BILL THAT HAD PASSED THE LOWER HOUSE NOV 30 WAS APPROVED BY A FINAL VOTE OF 35 AGAINST 4 AND SENT TO PRES THIEU FOR SIGNATURE. THE PRES IS EXPECTED TO SIGN RATHER THAN PROPOSE AMENDMENTS.

THE PASSAGE OF THE BILL WITHOUT UPPER HOUSE AMENDMENTS
REFLECTS THE HIGH DEGREE OF CONSULTATION NOW EXISTING BETWEEN
THE PRO-ADMINISTRATION MAJORITIES IN THE TWO HOUSES, OPERATING

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O R 191030Z DEC 73
FM AMEMBASSY SAIGON
TO SECSTATE WASHDC IMMEDIATE 0142
INFO AMEMBASSY BANGKOK
AMEMBASSY BUDAPEST
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C O N F I D E N T I A L SECTION 3 OF 4 SAIGON 21229

BANGKOK ALSO PASS OSA; DEP ALSO FOR AID/W; CINCPAC FOR POLAD;
DOD-PRO USAJFKCMA ATTN: ATCS-WL-DSA

THROUGH THE DEMOCRACY PARTY'S LEGISLATIVE CHAPTER. THIS
SIGNIFICANTLY STREAMLINES THE LEGISLATIVE PROCESS, WHICH WAS
FREQUENTLY PROLONGED IN PAST YEARS BY DIFFERENCES BETWEEN THE
TWO CHAMBERS AND BY THE FACT THAT THE FINAL VERSIONS OF BILLS
COMING FROM THE NATIONAL ASSEMBLY OFTEN MET PRESIDENTIAL PRO-
POSALS FOR AMENDMENTS.

I. 1973-74 SPECIAL COURT SWORN IN

PRES THIEU AND OTHER HIGH GVN OFFICIALS ATTENDED A
JOINT SESSION OF THE NATIONAL ASSEMBLY DEC 15 TO WITNESS
THE SWEARING IN OF THE MEMBERS OF THE SPECIAL COURT FOR THE
1973-74 TERM. THIEU DID NOT SPEAK. UPPER HOUSE CHAIRMAN TRAN
VAN LAM DELIVERED AN ADDRESS WELCOMING THE NEW MEMBERS OF THE
COURT.

THE SPECIAL COURT IS THE CONSTITUTIONAL BODY CHARGED WITH
HEARING CASES OF TREASON AND OTHER MAJOR CRIMES AGAINST THE
HIGHEST GOVT OFFICIALS. IT HAS NEVER YET HAD TO JUDGE A
CASE. ITS CHAIRMAN IS THE CHIEF JUSTICE OF THE SUPREME COURT,
AND IT IS COMPOSED OF FIVE SENATORS AND FIVE DEPUTIES ELECTED
EACH YEAR. THIS YEAR THE MEMBERS ARE:

SENATOR HUYNH VAN CAO	DEPUTY PHAM VAN UT
SENATOR NGUYEN VAN KINH	DEPUTY DIEP VAN HUNG
SENATOR KSOR-ROT	DEPUTY LE VAN HIEN

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SENATOR PHAM VAN HAT	DEPUTY NGUYEN MINH DANG
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PART II. EXTERNAL

A. FONMINS TRAVELS

OFFICIAL VIETNAM PRESS CONTINUES TO GIVE FULL COVERAGE TO
FONMIN BAC'S TRAVELS, NAMELY HIS DEC 10-13 VISIT TO
SAUDI ARABIA AND HIS FAREWELL CALLS AND OTHER ATTENDANT ACTIVITIES
IN LONDON SINCE THEN. ACCORDING TO ONE PRESS REPORT HE WILL BE IN
PARIS ON DEC 20 WHEN US SECY OF STATE KISSINGER MEETS WITH

NORTH VIETNAM'S LE DUC THO. ONLY OTHER STOPS ON THIS TRIP SO FAR REVEALED WILL BE THE HAGUE AND VIENNA WHERE BAC IS STILL ACCREDITED AS GVN AMB AND WHERE HE WILL BE MAKING HIS FAREWELL CALLS.

B. GVN PROTESTS COMMUNIST ATTACK ON FPJMT HELICOPTERS

THE GVN ISSUED A COMMUNIQUE ON DEC 15, AND ON DEC 19 MADE PUBLIC A DEC 17 NOTE TO THE COUNTRIES WHICH HAD PARTICIPATED IN THE INTERNATIONAL CONFERENCE ON VIET-NAM, BOTH DOCUMENTS PROTESTING THE DEC 15 ATTACK ON UNARMED HELICOPTERS WHICH RESULTED IN THE DEATH OF ONE AMERICAN AND ONE VIETNAMESE. THE HELICOPTERS HAD BEEN CONDUCTING A SEARCH FOR THE REMAINS OF AMERICAN SOLDIERS REPORTED MISSING IN ACTION (MIA), UNDER THE AUSPICES OF THE FOUR PARTY JOINT MILITARY TEAM (FPJMT) WHICH WAS SET UP FOR THAT PURPOSE BY THE PARIS AGREEMENT OF JAN 17.

C. GVN/"PRG" BILATERALS: STALEMATE CONTINUES

THIRTY-SECOND PLENARY SESSION OF THESE CONSULTATIONS, BEING HELD IN FRANCE TO SEEK A POLITICAL SETTLEMENT IN SOUTH VIETNAM, TOOK PLACE ON DEC 14 BUT MADE NO PROGRESS. THE TWO SIDES AGREED TO MEET AGAIN ON DEC 21.

D. GVN CONCERNED BY AUSTRALIAN TRADE MINISTER'S COMMENTS IN HANOI

GVN SPOKESMEN REFERRED SEVERAL TIMES DURING THE WEEK TO PRO-"PRG" STATEMENTS MADE BY AUSTRALIAN OVERSEAS TRADE MINISTER CAIRNS DURING A VISIT TO HANOI AS REPORTED BY AGENCE FRANCE PRESS (SAIGON 20893). SPOKESMEN FIRST EXPRESSED SURPRISE ON DEC 12 THAT CONFIDENTIAL

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CAIRNS HAD ATTENDED A "PRG" SOCIAL FUNCTION IN HANOI BUT RECALLED THAT AUSTRALIAN POLICY WAS NOT TO RECOGNIZE "PRG", THEN REPORTED ON DEC 13 THAT GVN EMB IN CANBERRA HAD BEEN ORDERED TO PROTEST CAIRNS' STATEMENTS. ON DEC 14 THE SPOKESMAN REFERRED WITH SATISFACTION TO REPORTED STATEMENT BY AUSTRALIAN PRIME MINISTER WHITTAM TO THE EFFECT THAT CAIRNS' WORDS COULD "NOT BE CONSTRUED AS EVIDENCE OF AUSTRALIAN SUPPORT FOR COMMUNIST NORTH VIETNAMESE AGGRESSION" IN SOUTH VIETNAM AND THAT AUSTRALIA DID NOT INTEND TO RECOGNIZE "PRG".

COMMUNIST MEDIA NOTED WITH GLEE THE CONSTERNATION IN WASHINGTON AND SAIGON BROUGHT ABOUT BY CAIRNS' REMARKS. VIETNAM NEWS AGENCY (VNA), QUOTING THE PARTY PAPER, "NHAN DAN" ON DEC 17, TERMED THE US REACTION "INDECOROUS" AND CLAIMED THAT WASHINGTON'S DISPLEASURE WITH CAIRNS' STATEMENT THAT THE US DOES NOT WISH TO QUIT INDOCHINA SHOWED THAT THE US IS "STILL BENT ON MAINTAINING NEOCOLONIALISM IN SOUTH VIET-NAM."

ON DEC 15 THE ARMY PAPER, QUAN DOI NHAN DAN, LIKENED THE GVN REACTION TO CAIRN'S STATEMENT AND ACTIVITIES TO THAT OF

"A LEECH CAUGHT IN LIME." THE PAPER SAID THAT CAIRNS' CONTACTS WITH THE SO-CALLED "PRG" WERE "VERY NORMAL DIPLOMATIC ACTIVITIES" AND PRAISED AUSTRALIA AS "ONE OF THE COUNTRIES THAT OPPOSE THE US AGGRESSIVE POLICY AND ACKNOWLEDGE THE REALITY OF TWO ADMINISTRATIONS AND TWO ARMIES IN SOUTH VIET-NAM."

E. VIET CONG DEL WRAPS UP HUNGAR VISIT; ARRIVE IN MOSCOW

A HIGH-LEVEL DEL REPRESENTING THE SO-CALLED "PRG" ENDED THE OFFICIAL PORTION OF ITS VISIT TO HUNGARY ON DEC 14 BUT ACCORDING TO RADIO BUDAPEST, SPENT A FEW DAYS RESTING IN THE COUNTRYSIDE BEFORE PROCEEDING TO MOSCOW. THE GOH-"PRG" JOINT COMMUNIQUE ON THE VISIT WAS SOMEWHAT MORE CRITICAL OF THE US AND GVN THAN A SIMILAR DOCUMENT ISSUED AFTER THE VIET CONG DELS FIRSL STOP, WARSAW. WHILE THE GOH DID NOT ASSOCIATE ITSELF DIRECTLY WITH SOME OF THE VIET CONG'S STRONGER LANGUAGE, IT DID ALLOW THE VIETNAMESE VISITORS TO INSERT IN THE COMMUNIQUE REFERENCES TO THE "US AGGRESSORS AND THEIR SAIGON LACKEYS" AND TO "VIOLATION(S) OF THE PRINCIPAL STIPULATIONS CONTAINED IN THE AGREEMENT BY THE U.S.A. AND THE SAIGON ADMINISTRATION." THE GOH, FOR ITS PART, CONFIDENTIAL

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CONDEMNED THE GVN'S "ATTITUDE" AND "ITS VIOLATION OF THE AGREEMENT WHILE ENJOYING THE SUPPORT OF THE IMPERIALISTS." ON DEC 13, GOH FONMIN PETER AND HIS VIET CONG COUNTERPART, MADAME NGUYEN THI BINH, SIGNED AN AGREEMENT ON HUNGARY'S GRANT AID TO THE "PRG" KAL

RADIO MOSCOW REPORTED THE ARRIVAL OF THE DEL IN THE USSR, ON DEC 18. IT WAS MET BY PRES PODGORNYY, WHO LATER HOSTED A DINNER FOR THE GUESTS AT THE KREMLIN.

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INFONUMTBK/AMEMBASSY BANGKOK 336
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CIA
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JUSMAAG
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C O N F I D E N T I A L SECTION 4 OF 4 SAIGON 21229

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F. COMMUNIST ANNIVERSARIES TO BE REPORTED NEXT WEEK
PROPAGANDA AND OTHER ACTIVITIES RELATING TO THE THREE MAJOR
UPCOMING COMMUNIST COMMEMORATIVE DAYS (NATIONWIDE RESISTANCE DAY,
DEC 19; 13TH ANNIVERSARY OF THE NLF, DEC 20; AND NORTH
VIETNAMESE ARMY DAY, DEC 22) WILL BE REPORTED IN NEXT MISSION
WEEKLY, DEC 26.

END CONFIDENTIAL

BEGIN UNCLASSIFIED

III. ECONOMIC

A. EXPORTS BUOYANT

THROUGHOUT THIS TROUBLED YEAR FOR THE VIETNAMESE CONOMY, EXPORTS HAVE REMAINED BUOYANT. NATIONAL BANK FIGURES SHOW US \$6.7 MILLION IN EXPORT EARNINGS FOR NOV, RAISING THE YEAR'S TOTAGA TO US \$55.9 MILLION. THIS ALREADY EXCEEDS INITIAL EXPECTATIONS FOR THE YEAR (US \$40 MILLION), AS WELL AS THE REVISED ESTIMATE MADE IN JULY (\$55 MILLION). FURTHERMORE, THE TREND HAS BEEN STEADILY RISING SINCE MARCH. VIETNAM'S EXPORTS HAVE BENEFITTED FROM GENERAL INCREASES IN WORLD PRICES, BUT THIS YEAR'S PERFORMANCE, NEARLY TRIPLE THE '72 TOTAL, ALSO REFLECTS A SUBSTANTIALLY LARGER VOLUME OF SALES.

B. OIL EXPLORATION

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IN OTHER DEVELOPMENTS, THE GVN IS CONSIDERING HOLDING THE NEXT ROUND OF BIDDING FOR OFFSHORE OIL CONCESSIONS IN LATE SPRING OR EARLY SUMMER 1974. MEANWHILE, DETAILED SEISMIC SURVEYING IS PROGRESSING RAPIDLY. ESSO HAS ALMOST FINISHED ITS SURVEY, WHILE WORK BY SHELL, MOBIL AND SUNNYDALE ON THEIR AREAS STIL CONTINEUS. LOCAL SOURCES ESTIMATE THAT DRILLING MAY START AS EARLY AS LATE SUMMER 1974.

C. RICE LEADS RETAIL PRICE DECLINE

EARLY INDICATIONS OF A GOOD MAIN HARVEST STARTED A DECLINE OF 4-6 PERCENT IN SAIGON RICE PRICES THIS WEEK. OVERALL, THE CONSUMER PRICE INDEX DROPPED 0.4 PERCENT, MAINLY ON THE STRENGTH OF THE RICE DOWNTURN. A DROP IN THE FOOD CATEGORY MORE THAN OFFSET PRE-CHRISTMAS-TET RISES IN APPAREL AND TAILORING PRICES WHICH NUDGED THE NON-FOOD GROUP UP SLIGHTLY. TO DATE THIS YEAR, THE WEEKLY INDEX HAS INCREASED 63.4 PERCENT.

D. GOLD AND BLACK MARKET CURRENCY

BLACK MARKET DOLLAR QUOTES CONTINUED TO DECLINE THIS WEEK. FROM A HIGH OF 645:1 FOR US\$100 IN EARLY DECEMBER, THE RATE FELL TO 592:1 AS OF DECEMBER 17. US\$10 ALSO DROPPED FROM 630:1 TO 582:1 DURING THE SAME PERIOD. MARKET SOURCES INDICATE THAT THE DECLINING RATES REFLECT CONTINUING TIGHT CREDIT CONDITIONS. MEANWHILE, GOLD PRICES ALSO DIPPED FROM US EQUIVALENT OF \$104.80 LAST WEEK TO \$100.28 PER TROY OUNCE. THE DECREASE WAS PROBABLY INFLUENCED BY A SIMILAR TREND IN HONG KONG QUOTES, BUT THE SAIGON PRICE REMAINS ABOUT \$5 BELOW HONG KONG.
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Message Attributes

Automatic Decaptioning: X
Capture Date: 10 MAY 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: INFILTRATION, PERSONNEL, ECONOMIC CONDITIONS, GROUND COMBAT OPERATIONS, MEETING DELEGATIONS, POW RETURN, DIPLOMATIC DISCUSSIONS, CENTRAL LEGISLATURE, CHURCH STATE RELATIONS
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Subject: SUBJECT. EMBASSY SAIGON'S MISSION WEEKLY, DEC 13-19, 1973
TAGS: PINT, PFOR, ECON, VS, ICCS, PA & E, (KISSINGER, HENRY A), (LE DUC THO)
To: STATE INFO BANGKOK
BUDAPEST
CANBERRA
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